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3 October 1978

MEMORANDUM FOR THE RECORD

SUBJECT: 4C System Funding

REFERENCE: D/ODP Memo - 4C System - 17 August 1978

1. The undersigned met with Mr. May D/ODP on 1 September 1978 to discuss his memorandum concerning the "4C System" dated 17 August 1978.

2. The purpose of this meeting was to clarify the question "...where the resources will come from." It was the undersigned understanding that this was a non-issue - the decision having been made that funding would be provided from the DCI budget to the Office of Security/CIA. Mr. May's memo appeared to address a post-IOC funding requirement for file development and maintenance. This currently is also a non-issue since the 4C system is understood to be a low item on the funding priority list with little chance of being funded.

3. Mr. May clarified his position - it is his impression that Mr. Jim Taylor, Comptroller, is not supportive of 4C funding coming from CIA funds as 4C was a community system. Therefore, its ranking on the funding priority list is low. Mr. May was offering possible IHC support to raise 4C on this list. This would serve two functions (1) to get 4C funded, (2) to get a precedent for similar projects in the future. The use of 4C as a precedent is attractive for the following reasons:

- a. conceptually agreed to by all SECOM members,
- b. relatively small and understandable
- c. limited funding requirement, and
- d. it is ready to proceed.

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